

January 8, 2019

Dear New York State Energy Research and Development Authority:

Pursuant to the New York State Energy Research and Development Authority's ("NYSERA") December 19, 2018 request for written comments, the Metropolitan Transportation Authority ("MTA") hereby submits its comments on the draft *New York's Regional Greenhouse Gas Initiative Operating Plan Amendment for 2019* (as revised December 14, 2018) ("2019 RGGI Plan"). The 2019 RGGI Plan, in pertinent part, proposes to repurpose some RGGI funds to support energy storage projects. The MTA respectfully requests that NYSERDA clarify that the MTA would be eligible to apply for such funds in order to help finance MTA storage projects.

The MTA has been exploring opportunities to deploy storage at its facilities. For instance, the MTA is in the late stages of developing a pilot battery storage facility, charged in part with regenerative braking, at one of its traction substations. This particular project received limited funds from NYSERDA to assist in its development. The MTA is also independently evaluating other potential storage developments. Access to funding for storage projects is key to any future MTA storage development. The 2019 RGGI Plan could provide a funding avenue that the MTA can explore.

The MTA's storage development efforts, whether conducted independently or in collaboration with NYSERDA, are consistent with State Policy. In June 2018, NYSERDA and the Department of Public Service Staff issued their New York State Energy Storage Roadmap ("Storage Roadmap"), which provided recommendations to help New York achieve its goal of installing 1,500 MW of storage by 2025, and the 3,000 MW of storage by 2030. The Public Service Commission ("Commission") adopted these goals and, among other things, adopted the Storage Roadmap's proposed market acceleration initiative to be funded with the uncommitted RPS funds (see Commission's Order Establishing Energy Storage Goal and Deployment Policy dated December 13, 2018, ("Storage Order")).

The Storage Roadmap indicated that storage resources installed in Zone J, where the majority of MTA's New York City Transit facilities are located, can provide benefits beyond storage in general because these resources could potentially reduce the need to utilize peaker plants. Therefore, there is a tremendous opportunity for the MTA to have a significant impact by scaling up the existing storage initiatives throughout our service territory. Furthermore, the MTA anticipates that its storage systems would be used for shaving MTA load, which satisfies another goal of the 2019 RGGI Plan.

Thus, the MTA appears to be an ideal candidate for eligibility for storage funding. To that end, in our comments to the Storage Roadmap we asked the Commission to confirm that MTA will be eligible for the market acceleration funds to fund storage deployment activity. To date, we have not received such confirmation and there remains uncertainty around whether we will be eligible to apply for the market acceleration funds.

The 2019 RGGI Plan explains that the storage funds are meant to provide for storage development that is not covered by the Commission's Storage Order. Thus, if the Commission ultimately determines that the MTA is not eligible for the Storage Roadmap's market acceleration initiative, the MTA respectively requests that NYSERDA clarify that MTA's storage systems would be eligible to apply for funding under the 2019 RGGI Plan as they would fall directly in line with that 2019 RGGI Plan criterion.

Thank you for your consideration of this request.

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